

Message Text

LIMITED OFFICIAL USE

PAGE 01 LENDING 00723 111252Z

56

ACTION EUR-12

INFO OCT-01 ISO-00 A-01 FS-01 PER-01 /016 W

----- 060949

R 110912Z MAY 76

FM AMCONSUL LENINGRAD

TO AMEMBASSY MOSCOW

INFO SECSTATE WASHDC 2226

LIMITED OFFICIAL USE LENINGRAD 0723

E.O. 11652: N/A

TAGS: AFIN, UR

SUBJECT: LENINGRAD LOCAL EMPLOYEE SALARY PROBLEM

1. SUMMARY AND ACTION REQUESTED: CONGEN IS BEING BACKED INTO CORNER ON LOCAL EMPLOYEE WAGES. REQUEST CONSIDERATION OF ALIGNING LENINGRAD WAGE SALARY STRUCTURE WITH MOSCOW COMPENSATION PLAN. END SUMMARY.

2. AS A RESULT OF RATHER STRONG REPRESENTATIONS BY CONSUL GENERAL TO HEAD OF SOVIET SERVICE ORGANIZATION (UPIP), POST HAS RECENTLY INTERVIEWED FOUR CANDIDATES FOR THREE POSITIONS (GSO ASSISTANT, PORTER/LABORER, AND A PAINTER), AND HIRED TWO: GSO ASSISTANT AND LABORER.

3. IN EACH CASE, "ASKING PRICE" ON SALARY WAS WAY OUT OF LINE WITH SALARY ORIGINALLY SPECIFIED TO UPIP AS APPLYING TO POSITION AND IN ONE CASE - PAINTER - ASKING WAGE WOULD HAVE MADE HIM HIGHEST PAID EMPLOYEE BY TEN PERCENT. FOR PAINTER, WE COUNTERED WITH OFFER OF WAGE EQUIVALENT TO MOSCOW'S STARTING RATE FOR SIMILAR POST, BUT "PAINTER" (READ UPIP) WOULD NOT WORK FOR THIS SUM. (HE WAS ALLEGEDLY RECEIVING R250/MONTH IN CURRENT JOB; OUR BEST OFFER WAS R234 - ELEVEN RUBLES/MONTH ABOVE HIGHEST PAID EMPLOYEE.) IN OTHER CASES - GSO ASSISTANT AND LABORER - WE ENDED UP PAYING MORE THAN WE DEEMED REASONABLE, AND TO POINT WHERE SALARY STRUCTURE IS RATHER SKEWED. UPIP MADE IT QUITE CLEAR IT WAS A "TAKE IT OR LEAVE IT" SITUATION.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LENDING 00723 111252Z

4. WE POINTED OUT TO UPIP THAT HIRING ANY EMPLOYEE AT SUCH GROSS

DISPARITY IN WAGE WOULD MAKE HASH OF OUR SALARY STRUCTURE, AND NEGATE ANY BENEFITS IN COMPENSATION GAINED BY OTHER EMPLOYEES THROUGH EXTENDED SERVICE WITH CONGEN. UPIP'S ONLY COMMENT WAS THAT OUR WAGES ARE "RATHER BEHIND THE TIMES."

5. IT APPEARS UPIP'S GOAL IS TWOFOLD: (A) TO COMPLY WITH LETTER OF THE VARIOUS UNDERTAKING TO PROVIDE US WITH SOVIET PERSONNEL WHILE AT SAME TIME INSISTING ON WAGES HIGHER THAN WE CAN PAY, THUS PUTTING ONUS ON US FOR REFUSING TO EMPLOY; AND (B) TO FORCE US TO SHIFT OUR ENTIRE COMPENSATION PLAN UPWARD.

6. WE BELIEVE OUR BEST IMMEDIATE COUNTER WOULD BE TO ALIGN OUR LOCAL EMPLOYEE COMPENSATION WITH MOSCOW'S, CHAPTER AND VERSE. WE WOULD THUS BE ABLE TO POINT OUT: (A) WE CANNOT PAY MORE THAN EMBASSY DOES; AND (B) AS UPDK HAS BEEN ABLE TO LIVE WITH THIS SALARY SCHEDULE, THERE IS NO REASON WHY UPIP CAN'T. MONTHLY COST FOR PROPOSED ALIGNMENT OF LENINGRAD'S SALARY STRUCTURE WITH MOSCOW'S WOULD BE RUBLES 87.00 INCREASE OVER CURRENT TOTAL PAYROLL.

7. AS WE HAVE NO WAY OF KNOWING WHETHER OUR ARGUMENTATION SET OUT IN PARA 6 WILL HAVE ANY IMPACT ON UPIP, WOULD APPRECIATE EMBASSY CONSIDERATION POSSIBILITY RAISING OUR COMPENSATION LEVELS OVER THOSE OBTAINING IN MOSCOW. WE HAVE NO WISH TO BE HELD UP BY UPIP ON SALARIES, BUT FACT REMAINS WE NEED LOCAL STAFF AND STANDING ON PRINCIPLE WOULD PROBABLY COST USG MORE IN LONG RUN AS WE WILL HAVE TO PAY UPIP'S RUINOUS RATES FOR DAY-TO-DAY REPAIRS IF WE CAN'T DO WORK WITH OUR OWN PEOPLE.

8. WOULD APPRECIATE EMBASSY'S THINKING ON SITUATION.
NEUBERT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 11 MAY 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LENING00723
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760181-0553
From: LENINGRAD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760568/aaaacgnb.tel
Line Count: 92
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 06 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 MAY 2004 by CollinP0>; APPROVED <31 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LENINGRAD LOCAL EMPLOYEE SALARY PROBLEM
TAGS: AFIN, UR
To: MOSCOW
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006